

## **ORDINANCE NO. 011-084**

### **AN ORDINANCE AMENDING ORDINANCE 011-083 ESTABLISHING ALL FEES FOR USAGE OF THE CITY OF SHEPHERDSVILLE'S WASTEWATER TREATMENT FACILITIES AMENDING PRIOR ORDINANCE CONCERNING SAME**

**WHEREAS**, it is the City Council for the City of Shepherdsville's intent to establish proportionate user charges on the sources of pollution based on strength and volume and maintain financial self-sufficiency, and;

**WHEREAS**, these charges must be equitable and must be adequate to properly provide these services, and;

**WHEREAS**, the City Council has the duty to maintain the financial integrity of this system to provide these services on an equal nondiscriminatory basis to all current and future city residents, and;

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHEPHERDSVILLE, BULLITT COUNTY, KENTUCKY THAT, THAT THE FOLLOWING WASTEWATER USER CHARGES ARE ESTABLISHED.**

**SECTION ONE:** It is determined and declared to be necessary and conducive to the protection of the public health, safety, welfare and convenience of the City of Shepherdsville to collect charges from all users who contribute wastewater to the Shepherdsville Sewer Treatment Facilities. The proceeds of such charges so derived will be used for the purpose of operating and maintaining the public wastewater treatment facilities;

**SECTION TWO: DEFINITIONS** Unless the context specifically indicates otherwise, the meaning and terms used in this Ordinance shall be as follows:

1. "BOD" (denoting Biochemical Oxygen Demand) shall mean the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five (5) days at 20 degrees C expressed in milligrams per liter (mg/l).
2. "Normal Domestic Wastewater" shall mean wastewater that has a BOD concentration of not more than 250 mg/l, a NH<sub>3</sub>N concentration of not more than 30 mg/l, an oil and grease concentration of not more than 100 mg/l, or any other Pollutant as may be later established by the operator or the wastewater treatment facilities.
3. "Operation and Maintenance" shall mean those functions that result in expenditures during the useful life of the treatment facilities for materials, labor, utilities, and other items which are necessary for managing and for which such facilities were designed and constructed. The term "operation and maintenance" includes replacement as defined hereinafter.
4. "Replacement" shall mean expenditures for obtaining and installing equipment, accessories, or appurtenances which are necessary during the useful life of the treatment facilities to maintain the capacity and performance for which such facilities were designed and constructed.

5. “Residential User” shall mean any contributor to the Shepherdsville Sewer Treatment Facilities whose lot, parcel of real estate, or building is used for domestic dwelling purposes only.
6. “Commercial User” shall mean all retail stores, restaurants, office buildings, laundries, and other private businesses and service establishments.
7. “Industrial User” (IU) shall mean a source of Indirect Discharge which does not constitute a “discharge of pollutants” under regulations issued pursuant to Section 402 of the Clean Water Act.
8. “Institutional User” shall include social, charitable, religious, and educational activities such as schools, churches, hospitals, nursing homes, penal institutions and similar institutional users.
9. “Government User” shall include legislative, judicial, administrative, and regulatory activities of Federal, State and Local governments.
10. “Shall” is mandatory; “May” is permissive.
11. “Suspended Solids” (SS) suspended matter that either floats on the surface of, or is in suspension in, water, wastewater, or other liquids and that is removable by laboratory filtering as prescribed in “Standard Methods for Examination of Water and Wastewater.”
12. “Treatment Facilities” shall mean any devices and systems for the storage, treatment, recycling and reclamation of municipal wastewater, domestic wastewater or liquid industrial wastes. These include intercepting sewers, outfall sewers, wastewater collection systems, pumping, power and other equipment and their appurtenances; extensions, improvements, remodeling, additions and alterations thereof, elements essential to provide a reliable recycled supply such as standby treatment units and clear well facilities; and any works, including site acquisition of the land that will be an integral part of the treatment process or is used for ultimate disposal of residues resulting from such treatment (including land for composting sludge, temporary storage of such compost and land used for the storage of treated wastewater inland treatment systems before land applications); or any other method of system for preventing, abating, reducing, storing, treating, separating or disposing of municipal waste or industrial waste, including waste in a combined storm water and sanitary sewer systems.
13. “Useful Life” shall mean the estimated period during which a treatment facility will be operated.
14. “User Charge” shall mean the total wastewater service charge which is levied in a proportional and adequate manner for the cost of operation, maintenance, replacement and debt service expenses of the wastewater treatment works.
15. “Water Meter” shall mean a water volume measuring and recording device, furnished and/or installed by a user and approved by the City of Shepherdsville.
16. “Debt Service” shall mean charges levied on users of the wastewater treatment works to support the annual debt service obligations of the system.

### **SECTION THREE:**

1. The revenues collected, as a result of the wastewater user charges levied, shall be deposited in a separate non-lapsing fund known as the Wastewater Operation, Maintenance and Replacement Fund.
2. Fiscal year-end balances in the Wastewater Operation, Maintenance and Replacement Fund shall be used for no other purposes than those designated. Monies which have been transferred from other sources to meet temporary shortages in the Wastewater Operation, Maintenance and Replacement Fund shall be returned to their respective accounts upon appropriate adjustment of the wastewater user charge rates for operation, maintenance and replacement. The wastewater user charge rate(s) shall be adjusted such that the transferred monies will be returned to their respective accounts within six months of the fiscal year in which the monies were borrowed.

### **SECTION FOUR: SEWER CONNECTION FEES**

- A. The sewer connection charges applicable to all property within the municipal boundaries of the City of Shepherdsville, Bullitt County, Kentucky, which are connected to the Municipal Sewer System, are as follows:
  1. For each connection of an individual residence to the public sewer a tap-on-fee of Two Thousand Dollars (\$2,000.00) plus an amount equal to the actual cost of the City of bringing the sewer line from the sewer main located nearest the property line of the owner and/or renter shall be paid to the City with the application for a building sewer permit.
  2. On all multifamily dwellings there shall be charged a tap-on-fee of Two Thousand Dollars (\$2,000.00) for each separate residential dwelling unit, plus an amount equal to the actual costs of the City of bringing the sewer line from the sewer main located nearest to the property line of the owner and/or renter to a point located at the edge of the property line or easement of such owner and/or renter, shall be paid to the City with the application for a building sewer permit.
  3. For each connection of a tourist home park and/or mobile home park to the public sewer, a tap-on-fee of Two Thousand Dollars (\$2,000.00) per tourist home or mobile home, plus an amount equal to the actual cost of the City of bringing the sewer line from the sewer main located nearest to the property line of the owner and/or renter to the point located at the edge of the property line or easement of such owner and/or renter shall be paid to the City with the application for a building sewer permit.
  4. For each connection of a commercial building to the public sewer tap-on-fee shall be charged on the following basis:

Water Service Line Size	Cost
1 inch	\$4,500.00
2 inch	\$5,500.00
3 inch	\$6,500.00

Larger than three (3) inch water service line size shall be charged the cost to the three (3) inch water line size plus One Thousand Dollars (\$1,000.00) per inch for each line of water service line size in excess of three (3) inches.

Plus an amount equal to the actual cost of the City bringing the sewer line from the sewer main located nearest the property line of the owner and/or renter to a point located at the edge of the property line or easement of such owner and/or renter shall be paid to the City with the application for a building sewer permit.

In addition to the above tap-on-fee, persons obtaining an industrial water discharge permit shall reimburse the City for the actual costs of all testing required to evaluate the industrial effluent.

Payment for the charges set forth herein for sewer service shall be made with the application for a building permit for new construction or for existing units before sewer service is begun as well as any deposits required by any ordinances of the City of Shepherdsville.

5. The annual fee of a Trucker's Discharge Permit shall be \$100.00. Truckers who haul septic tank sludge and dump in the City system shall be charged \$50.45 per 1,000 gallons. All trucks shall be considered to be fully loaded for purposes of accessing charges. The fee for discarded sludge from other waste water plants shall be the sum of \$64.15 per 1000 gallons.
  6. All persons discharging waste into the sewer system shall be charged for the use of such facilities. Said charges shall be assessed monthly either by a class of user or by quantity and quality of wastewater, at the discretion of the City.
  7. Any sewer service utilizing the sewer line service referred to as the "interceptor line" shall be surcharged and assessed a one-time assessment of the sum of \$1,000 in addition to the prevailing sewer tap-on fee.
- B. The sewer connection charges applicable to all property outside the municipal boundaries of the City of Shepherdsville, Bullitt County, Kentucky, which are connected to the Municipal Sewer System, are as follows:
1. For each connection of an individual residence to the public sewer a tap-on-fee of Five Thousand Dollars (\$5,000.00) plus an amount equal to the actual cost of the City of bringing the sewer line from the sewer main located nearest the property line of the owner shall be paid to the City with the application for sewer connection.
  2. On all multifamily dwellings there shall be charged a tap-on-fee of Five Thousand Dollars (\$5,000.00) for each one bedroom unit, Six Thousand Dollars (\$6,000.00) for each two bedroom unit, and Seven Thousand Dollars (\$7,000.00) for each three bedroom unit or above, plus an amount equal to the actual costs of the City of bringing the sewer line from the sewer main located nearest to the property line of the owner to a point located at the edge of the property line or easement of such owner, shall be paid to the City with the application for sewer connection.
  3. For each connection of a tourist home park and/or mobile home park to the public sewer, a tap-on-fee of Five Thousand Dollars (\$5,000.00) per tourist home or

mobile home, plus an amount equal to the actual cost of the City of bringing the sewer line from the sewer main located nearest to the property line of the owner to the point located at the edge of the property line or easement of such owner shall be paid to the City with the application for a building sewer permit.

4. For each connection of a commercial building outside of city limits to the public sewer a tap-on-fee shall be charged on the following basis:

Water Service Line Size	Cost
1 inch	\$11,000.00
2 inch	\$14,000.00
3 inch	\$17,000.00

Larger than three (3) inch water service line size shall be charged the cost to the three (3) inch water line size plus Three Thousand Dollars (\$3,000.00) per inch for each line of water service line size in excess of three (3) inches.

Plus an amount equal to the actual cost of the City of bringing the sewer line from the sewer main located nearest the property line of the owner and/or renter to a point located at the edge of the property line or easement of such owner and/or renter shall be paid to the City with the application for sewer connection.

In addition to the above tap-on-fee, persons obtaining an industrial water discharge permit shall reimburse the City for the actual costs of all testing required to evaluate the industrial effluent.

5. All discharges of wastewater into the municipal sewer system by users not connected to a public water supply at a flat monthly rate as established by the Wastewater Superintendent based on estimated sewerage usage.

## **SECTION FIVE: RATES AND CHARGES**

1. The following schedule of user charge rates shall apply to each user within City limits of the wastewater treatment works. This schedule includes rates for OM&R and rates for debt service charges, each based on the volume of metered or estimated water consumption.

### **WASTEWATER SERVICES MONTHLY RATE SCHEDULE**

Total Gallons Water Consumption Per month	OM&R 1000 gal. Rate	Debt Service 1000/gal Service	Total User Charge Per 1000 gallon
<u>From</u> 0	<u>To</u> 2,000		\$21.20 Minimum
2,001	25,000	<del>\$6.50</del>	<del>\$-6.50</del> \$8.03 (each 1000 gal over 2000 gal. minimum)
25,000	over	<del>\$6.50</del>	<del>\$-6.50</del> \$8.03 (each 1000 gal)

2. For residential, industrial, institutional and commercial users, monthly user charges will be based on actual water usage. If a residential, commercial, institutional or industrial user has a consumptive use of water, or, in some other manner, uses water which is not discharged into the wastewater collection system, the user charge for that contributor may be based on readings of a wastewater meter(s) or separate water meter(s) installed and maintained at the user's expense. An additional surcharge shall be applicable to multi-dwelling residential users such as apartments and mobile home parks that have one water measuring (meter) usage device for more than one dwelling unit. The surcharge shall equal a sum equal to the minimum (2000 gallons) usage rate for each unit up to 10 units on any one metering device. The residential user rate charge shall apply to the remainder of the usage of the remaining units as measured by the metering device.
3. For those users whose wastewater has a greater strength than normal domestic wastewater, a surcharge in addition to the normal user charge, will be collected.

The following surcharge rates shall apply to each user of the treatment works that has received permission from the Superintendent or Designated Authority to contribute excessive strength sewage:

#### SURCHARGE RATES

BOD Surcharge Rate	\$0.43 per pound in Excess of 250 mg/l
COD Surcharge Rate	\$0.29 per pound in Excess of 1000 mg/l
TSS Surcharge Rate	\$0.43 per pound in Excess of 250 mg/l
NH3N Surcharge Rate	\$0.87 per pound in Excess of 30 mg/l
O & G Surcharge Rate	\$0.48 per pound in Excess of 100 mg/l

4. Method of Billing Surcharges - The excessive strength surcharge shall be based on a formula, with the total applied to the monthly bill of affected users:

#### EXAMPLE FORMULA

$$(A - B) \times C \times D \times E = F$$

Where formula components are as follows:

- A. Parameter concentration (BOD, COD, TSS, NH3N, O & G)
- B. Allowable concentration (250 mg/l, 1000 mg/l, 250 mg/l, 30 mg/l, 100 mg/l)
- C. The weight of one (1) gallon of water (8.34 lbs)
- D. The flow expressed in million gallons per day (i.e. 1,000 gal. = 0.001)
- E. The cost per pound of the parameter
- F. The total surcharge rate

No reduction in wastewater service charges, fees, or taxes shall be permitted because of the fact that certain wastes discharged to the wastewater works contain less than 250 mg/l of BOD, 1000 mg/l of COD, 250 mg/l of TSS, 30 mg/l of NH3N, or 100 mg/l of O & G.

5. Capacity Charge

The City of Shepherdsville provides a public sewerage system within the City Limits of the City and has and will continue to add properties to the City in order to further the interests of the City and to protect its residents and businesses from non treated wastewater outside of the

then current limits of the City as the developer and operator of such system it must eventually provide capacity within its system for all developed properties within the City. New developments, even when using the City's existing capacity, contribute to future capacity needs. Therefore, Capacity Charges shall be collected from developers/builders of properties to help defray the future cost of providing and maintaining sufficient capacity at the City's sewerage facilities.

When a developer of property wishes to provide sewer service by extension of or connection to the City's sewer system, the developer is responsible for constructing and paying for all sewerage facilities necessary for the development. The builder/developer prior to issuance of the building permit shall pay the appropriate Capacity Charge for the property/lot.

The Capacity Charge shall be calculated by multiplying the unit capacity charge times the gallons per day (GPD) estimated to flow from the new development connecting to the City's sewer system as determined by the City. For point of reference and not by way of limitation, the estimated flow of a single family unit for residential purposes is 214 GPD as of August 1<sup>st</sup>, 2007. Such Unit Capacity Charge and estimated flow shall be posted and available at the City's Sewer Department. Commercial and Industrial development flows will be determined on a case by case basis as construction plans are submitted.

#### **SECTION SIX: ADOPTION OF CONSUMER PRICE INDEX**

The sewer rates adopted by the City in this Ordinance shall be adjusted for increase/decrease in the Consumer Price Index as reported by the United States Government, Department of Commerce. This increase/decrease shall take effect on July 1<sup>st</sup> of each year with the first adjustment occurring July 1<sup>st</sup>, ~~2008~~: 2012.

The Mayor of the City of Shepherdsville is authorized and directed to report to the Council the reported change in the Consumer Price Index (CPI) and the Mayor is directed to adjust the sewer rate adopted by this ordinance by the applicable change in the Consumer Price Index.

#### **SECTION SEVEN:**

1. The City of Shepherdsville shall maintain financial records to accurately account for revenues generated by the treatment system and expenditures for operation and maintenance of the system, including normal replacement costs.
2. The City of Shepherdsville shall review not less often than annually the wastewater contribution of users, the total cost of OM&R of the wastewater works, debt, service obligations, and user charge rates. Based on such review, the City of Shepherdsville shall revise, when necessary, the schedule of user charge rates to accomplish the following:

Sub-section 1: Maintain an equitable distribution of OM&R costs among users of the treatment system; and,

Sub-section 2: Generate sufficient revenues to offset costs associated with the proper operation and maintenance of the wastewater system and to meet debt service requirements.

Sub-section 3: Excessive strength and toxicity surcharges shall be reviewed at the time of and in conjunction with the review of user charges. Surcharge rates shall be revised where necessary to reflect current treatment and monitoring costs.

Sub-section 4: Each user shall be notified, at least annually, in conjunction with a regular bill of the rate and that portion of the total surcharge which is attributable to OM&R of the wastewater system.

### **SECTION EIGHT: BILLING; COLLECTION; PENALTY.**

The water and sewer rates and charges shall be billed monthly or bi-monthly, on such statements which shall be issued on or about the first of each month or every other month, and all bills for such service shall be considered due and payable fifteen (15) days after the date of issue. If a bill is delinquent, and there shall be imposed a penalty of each bill not so paid, in an amount equal to ten percent (10%) of the charges (other than sales tax) shown on the face amount of such delinquent bill. The City may serve a customer written notice of his delinquency and of the fact that such customer is entitled, upon written request, to a hearing on the question of termination of service. If such bill is not paid within ten (10) days after the mailing of such notice, and if no hearing is requested and timely held, and such customer's delinquency is thereby established, the City may disconnect the water and/or sewer service of such customer without further notice. If an employee of the City is dispatched to the premises of a delinquent account, for the purpose of disconnecting the water and/or sewer service by reason of delinquency in the payment of any water and/or sewer bill, said service shall not be continued or reconnected until the owner and/or user pays all charges and penalties owed, plus the amount of Thirty Dollars (\$30.00) or the actual disconnection/reconnection cost incurred, whichever is larger, as a disconnection/re-connection charge. If any deadline date falls on a Sunday or legal holiday, such deadline shall not expire until the next secular day thereafter.

### **SECTION NINE: PENALTIES**

1. Any person found to be in violation of any provisions of this Ordinance shall be served by the City with written notice stating the nature of the violation and providing a reasonable time limit for the satisfactory correction thereof. The offender shall within the period of time stated in such notice, permanently cease all violations.
2. Any person who shall continue any violation beyond the time limit provided for herein shall be guilty of a misdemeanor, and on conviction thereof shall be fined the amount of Five Hundred Dollars (\$500.00) for each violation. Each day in which any such violation shall continue shall be deemed a separate offense.
3. Any person violating any of the provisions of this Ordinance shall become liable to the City for any expense, loss, or damage occasioned to the City by reason of such violation.

### **SECTION TEN:**

This Ordinance shall take effect upon publication.

### **SECTION ELEVEN:**

Should any clause, line, paragraph or part of this Ordinance be held unconstitutional or invalid for any reason, the same shall not affect the remainder of this Ordinance.

**SECTION TWELVE:** All Ordinances or parts of Ordinances in conflict with this Ordinance or any part of this Ordinance including are hereby repealed.

**SECTION THIRTEEN:** This Ordinance shall take effect on the 1<sup>st</sup> day of September 2011.

Given first reading at a special meeting of the City Council of the City of Shepherdsville, Bullitt County, Kentucky, on the 15<sup>th</sup> day of August, 2011. Given second reading at a special meeting of the City Council of the City of Shepherdsville, Bullitt County, Kentucky, on the 16<sup>th</sup> day of August, 2011.

Votes for 5;

Votes Against 1;

Not Voting 0.

Bernard Brown	x
Don Cundiff	x
Bonnie Enlow	x
Larry Hatfield	x
Faith Portman	
Alan Wetzel	x

x

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**HONORABLE R. SCOTT ELLIS III, MAYOR**

**ATTEST:**

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**TAMMY RICHMOND, CITY CLERK**